State of Arizona House of Representatives Forty-fifth Legislature Second Regular Session 2002

CHAPTER 339

# **HOUSE BILL 2353**

#### AN ACT

AMENDING SECTIONS 41-1402, 41-1421, 41-1442, 41-1461 AND 41-1463, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 9, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 41-1466 AND 41-1467; AMENDING SECTION 41-1471, ARIZONA REVISED STATUTES; REPEALING SECTION 41-1472, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 9, ARTICLE 5, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 41-1472; AMENDING SECTIONS 41-1491, 41-1491.05, 41-1491.15, 41-1491.16, 41-1491.17, 41-1491.19, 41-1491.20 AND 41-1491.21, ARIZONA REVISED STATUTES; RELATING TO CIVIL RIGHTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)



 Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 41-1402, Arizona Revised Statutes, is amended to read:

### 41-1402. Powers and duties of the division

- A. The division may:
- 1. Employ an executive director for the board and other necessary personnel whose compensation shall be as determined pursuant to section 38-611.
- 2. Subject to the provisions and restrictions of this chapter, cooperate with and enter into agreements with the United States equal employment opportunity commission, the United States department of housing and urban development and other United States agencies interested in practices governed by this chapter, accept funds MONIES from such THOSE agencies and carry out and perform the covenants and conditions of any written agreement with such THOSE agencies not inconsistent with or beyond the provisions of this chapter.
- 3. Cooperate with and enter into agreements with state and local agencies not inconsistent with or beyond the provisions of this chapter.
- 4. Intervene in a civil action brought under section 41-1481 by a complainant against a defendant other than the state.
- 5. After studying recommendations of the board, issue, amend or rescind procedural rules and regulations to carry out the provisions of this chapter.
- 6. Make periodic surveys of the existence and effect of discrimination because of race, color, religion, sex, age, handicap DISABILITY, FAMILIAL STATUS or national origin in the enjoyment of civil rights by any person within this state as prescribed by this chapter.
- 7. Foster, through community effort, in cooperation with both public and private groups, the elimination of discrimination based on race, color, religion, sex, age, handicap DISABILITY, FAMILIAL STATUS or national origin.
- 8. Issue publications of results of studies, investigations and research as in its judgment will tend to promote goodwill and the elimination of discrimination between persons because of race, color, religion, sex, age, handicap DISABILITY, FAMILIAL STATUS or national origin.
- 9. Furnish persons subject to the provisions of this chapter with such assistance as may be reasonably necessary to further compliance with the provisions of this chapter.
  - B. The division shall:
  - Administer the provisions of this chapter.
- 2. Report from time to time, but not less than once a year in December, to the legislature and the governor, describing its activities and accomplishments during the year, and file with each REPORT a copy of all recommendations of the division as to additional remedial action by législative enactment or otherwise.

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Sec. 2. Section 41-1421, Arizona Revised Statutes, is amended to read: 41-1421. <u>Voting rights; definitions</u>

- A. A citizen of the United States who is a resident of the THIS state, of Arizona and WHO is qualified to become an elector as prescribed by the terms of section 16-101, and who is otherwise qualified by law to vote at any election by or in the THIS state, OR ANY county, city, town, school district or any other political subdivision, shall be OF THIS STATE IS entitled TO and SHALL BE allowed to vote at all such THOSE elections without discrimination because of race, color, religion, sex, ancestry or national origin.
- B. A QUALIFIED INDIVIDUAL WITH A DISABILITY SHALL NOT BE EXCLUDED FROM VOTING OR BE DISCRIMINATED IN VOTING UNDER THIS SECTION BY REASON OF THE DISABILITY.
- C. THIS STATE OR ANY COUNTY, CITY, TOWN, SCHOOL DISTRICT OR OTHER POLITICAL SUBDIVISION OF THIS STATE THAT MAKES REASONABLE MODIFICATIONS TO RULES, POLICIES OR PRACTICES, REMOVES ARCHITECTURAL AND COMMUNICATION BARRIERS AND PROVIDES AUXILIARY AIDS AND SERVICES TO PERSONS WITH DISABILITIES HAS COMPLIED WITH THIS ARTICLE.
- D. COMPLIANCE WITH TITLE II OF THE AMERICANS WITH DISABILITIES ACT (42 UNITED STATES CODE SECTIONS 12131 THROUGH 12134) AND ITS IMPLEMENTING REGULATIONS AND THE VOTER ACCESSIBILITY FOR THE ELDERLY AND THE HANDICAPPED ACT (42 UNITED STATES CODE SECTIONS 1977ee THROUGH 1977ee-6) IS DEEMED IN COMPLIANCE WITH THIS ARTICLE.
  - E. FOR THE PURPOSES OF THIS SECTION:
- 1. "DISABILITY" MEANS, WITH RESPECT TO AN INDIVIDUAL, ANY OF THE FOLLOWING:
- (a) A PHYSICAL OR MENTAL IMPAIRMENT THAT SUBSTANTIALLY LIMITS ONE OR MORE OF THE MAJOR LIFE ACTIVITIES OF THE INDIVIDUAL.
  - (b) A RECORD OF SUCH A PHYSICAL OR MENTAL IMPAIRMENT.
  - (c) BEING REGARDED AS HAVING SUCH A PHYSICAL OR MENTAL IMPAIRMENT.
- 2. "QUALIFIED INDIVIDUAL WITH A DISABILITY" MEANS AN INDIVIDUAL WITH A DISABILITY WHO, WITH OR WITHOUT REASONABLE MODIFICATIONS TO RULES, POLICIES OR PRACTICES, THE REMOVAL OF ARCHITECTURAL AND COMMUNICATION BARRIERS OR THE PROVISION OF AUXILIARY AIDS AND SERVICES, MEETS THE ELIGIBILITY REQUIREMENTS PRESCRIBED IN SUBSECTION A OF THIS SECTION.
  - Sec. 3. Section 41-1442, Arizona Revised Statutes, is amended to read: 41-1442. <u>Discrimination in places of public accommodation:</u> exceptions
- A. Discrimination in places of public accommodation against any person because of race, color, creed RELIGION, SEX, national origin or ancestry is contrary to the policy of this state and shall be deemed unlawful.
- B. No person shall, directly or indirectly, refuse to, withhold from, or deny to any person, nor aid in or incite such refusal to deny or withhold, accommodations, advantages, facilities or privileges thereof because of race, color, creed RELIGION, SEX, national origin, or ancestry, nor shall

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distinction be made with respect to any person based on race, color, creed RELIGION, SEX, national origin, or ancestry in connection with the price or quality of any item, goods or services offered by or at any place of public accommodation.

- C. Any person WHO IS under the influence of alcohol or narcotics, or who is guilty of boisterous conduct, or who is of lewd or immoral character, or who is physically violent, or who violates any regulation of any place of public accommodation that applies to all persons regardless of race, color, creed RELIGION, SEX, national origin, or ancestry, may be excluded from any such place of public accommodation and nothing in this article shall be considered to limit the right of such exclusion.
  - Sec. 4. Section 41-1461, Arizona Revised Statutes, is amended to read: 41-1461. Definitions

In this article, unless the context otherwise requires:

- 1. "COVERED ENTITY" MEANS AN EMPLOYER, EMPLOYMENT AGENCY, LABOR ORGANIZATION OR JOINT LABOR-MANAGEMENT COMMITTEE.
- 4. 2. "Handicap DISABILITY" means, with respect to an individual, except any impairment caused by current or recent use of alcohol or ILLEGAL drugs, any of the following:
- (a) A physical OR MENTAL impairment that substantially limits one or more of the major life activities of the individual.
- (b) A record of SUCH a physical OR MENTAL impairment that substantially limits one or more of the major life activities of the individual.
- (c) Being regarded as having SUCH a physical OR MENTAL impairment that substantially limits one or more of the major life activities of the individual.

t. 3. "Employee":

- (a) Means an individual employed by an employer. , except that employee
- (b) Does not include an elected public official of the THIS state or any political subdivision of the THIS state, any person chosen by such officer AN ELECTED OFFICIAL to be on such officer's THE ELECTED OFFICIAL'S personal staff, an appointee on the policymaking level or an immediate adviser with respect to the exercise of the constitutional or legal powers of the office, unless such THE person or appointee is subject to the civil service laws of the THIS state or any political subdivision of the THIS state.

#### 2. 4. "Employer":

(a) Means a person who has fifteen or more employees for each working day in each of twenty or more calendar weeks in the current or preceding calendar year, and any agent of such THAT person, except that to the extent that any person is alleged to have committed any acts ACT of sexual harassment, employer means, for purposes of administrative and civil actions

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regarding such THOSE allegations of sexual harassment, a person who has one or more employees in the current or preceding calendar year. , but such term

- (b) Does not include either:
- (i) The United States or any department or agency thereof OF THE UNITED STATES, a corporation wholly owned by the government of the United States, or an Indian tribe.
- (b) (ii) A bona fide private membership club, —(other than a labor organization,) which THAT is exempt from taxation under section 501(c) of the internal revenue code of 1954.
- 3. 5. "Employment agency" means any person regularly undertaking with or without compensation to procure employees for an employer or to procure for employees opportunities to work for an employer and includes an agent of such a THAT person.
  - 5. 6. "Labor organization":
- (a) Means a labor organization and any agent of <del>such an</del> A LABOR organization. <del>and</del>
  - (b) Includes:
- (i) Any organization of any kind, any agency or employee representation committee, group, association or plan so engaged in which fifteen or more employees participate and which THAT exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours or other terms or conditions of employment. , and
- (ii) Any conference, general committee, joint or system board or joint council so engaged which THAT is subordinate to a national or international labor organization.
- 6. 7. "Person" means one or more individuals, governmental agencies, political subdivisions, labor unions, partnerships, associations, corporations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy or receivers.
- 7. 8. "Qualified handicapped individual WITH A DISABILITY" means a person with a handicap DISABILITY who, with OR WITHOUT reasonable accommodation, is capable of performing the essential functions of the particular job in question within the normal operation of the employer's business in terms of physical requirements, education, skill and experience EMPLOYMENT POSITION THAT THE INDIVIDUAL HOLDS OR DESIRES.
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  - (a) Unduly disrupt or interfere with the employer's normal operations.
- (b) Threaten the health or safety of the handicapped individual or others.
  - (c) Contradict a business necessity of the employer.

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- (d) Impose undue hardship on the employer, based on the size of the employer's business, the type of business, the financial resources of the employer and the estimated cost and extent of the accommodation.
- (a) MAKING EXISTING FACILITIES USED BY EMPLOYEES READILY ACCESSIBLE TO AND USABLE BY INDIVIDUALS WITH DISABILITIES.
- (b) JOB RESTRUCTURING, PART-TIME OR MODIFIED WORK SCHEDULES, REASSIGNMENT TO A VACANT POSITION, ACQUISITION OR MODIFICATION OF EQUIPMENT OR DEVICES, APPROPRIATE ADJUSTMENT OR MODIFICATION OF EXAMINATIONS, TRAINING MATERIALS OR POLICIES, THE PROVISION OF QUALIFIED READERS OR INTERPRETERS AND OTHER SIMILAR ACCOMMODATIONS FOR INDIVIDUALS WITH DISABILITIES.
- 9. 10. "Religion" means all aspects of religious observance and practice, as well as belief. Unlawful practices as prohibited by this article shall include practices with respect to religion unless an employer demonstrates that he THE EMPLOYER is unable to reasonably accommodate to an employee's or prospective employee's religious observance or practice without undue hardship on the conduct of the employer's business.
  - 11. "UNDUE HARDSHIP":
- (a) MEANS AN ACTION REQUIRING SIGNIFICANT DIFFICULTY OR EXPENSE WHEN CONSIDERED IN LIGHT OF THE FACTORS SET FORTH IN SUBDIVISION (b) OF THIS PARAGRAPH.
- (b) WHEN DETERMINING WHETHER AN ACCOMMODATION WOULD IMPOSE AN UNDUE HARDSHIP ON A COVERED ENTITY, FACTORS TO BE CONSIDERED INCLUDE:
- (i) THE NATURE AND COST OF THE ACCOMMODATIONS NEEDED UNDER THIS ARTICLE.
- (ii) THE OVERALL FINANCIAL RESOURCES OF THE FACILITY OR FACILITIES INVOLVED IN THE PROVISION OF THE REASONABLE ACCOMMODATION, THE NUMBER OF PERSONS EMPLOYED AT THE FACILITY, THE EFFECT ON EXPENSES AND RESOURCES OF THE FACILITY AND ANY OTHER IMPACT OF THE ACCOMMODATION ON THE OPERATION OF THE FACILITY.
- (iii) THE OVERALL FINANCIAL RESOURCES OF THE COVERED ENTITY, THE OVERALL SIZE OF THE BUSINESS OF THE COVERED ENTITY WITH RESPECT TO THE NUMBER OF ITS EMPLOYEES AND THE NUMBER, TYPE AND LOCATION OF ITS FACILITIES.
- (iv) THE TYPE OF OPERATION OR OPERATIONS OF THE COVERED ENTITY, INCLUDING THE COMPOSITION, STRUCTURE AND FUNCTIONS OF THE WORKFORCE OF THE COVERED ENTITY.
- (v) THE GEOGRAPHIC SEPARATENESS AND THE ADMINISTRATIVE OR FISCAL RELATIONSHIP OF THE FACILITY TO THE COVERED ENTITY.
  - Sec. 5. Section 41-1463, Arizona Revised Statutes, is amended to read: 41-1463. <u>Discrimination</u>; unlawful practices; definition
- A. Nothing contained in this article shall be interpreted to require that the less qualified be preferred over the better qualified simply because of race, color, religion, sex, age, handicap DISABILITY or national origin.
  - B. It is an unlawful employment practice for an employer:
- 1. To fail or refuse to hire or to discharge any individual or otherwise to discriminate against any individual with respect to his THE

INDIVIDUAL'S compensation, terms, conditions or privileges of employment because of such THE individual's race, color, religion, sex, age, handicap DISABILITY or national origin.

- 2. To limit, segregate or classify employees or applicants for employment in any way which would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect the individual's status as an employee, because of such THE individual's race, color, religion, sex, age, handicap DISABILITY or national origin.
- 3. To fail or refuse to reasonably accommodate an individual's handicap:
- 4. 3. To fail or refuse to hire, to discharge, or to otherwise discriminate against any individual based on the results of a genetic test received by the employer, notwithstanding subsection # I, paragraph 2 of this section.
- C. It is an unlawful employment practice for an employment agency to fail or refuse to refer for employment or otherwise to discriminate against any individual because of such THE individual's race, color, religion, sex, age, handicap DISABILITY or national origin or to classify or refer for employment any individual on the basis of his THE INDIVIDUAL'S race, color, religion, sex, age, DISABILITY or national origin.
  - D. It is an unlawful employment practice for a labor organization:
- 1. To exclude or to expel from its membership or otherwise to discriminate against any individual because of such THE individual's race, color, religion, sex, age, handicap DISABILITY or national origin.
- 2. To limit, segregate or classify its membership or applicants for membership or to classify or fail or refuse to refer for employment any individual in any way which would deprive or tend to deprive such THE individual of employment opportunities or would limit such THOSE employment opportunities or otherwise adversely affect the individual's status as an employee or as an applicant for employment because of such THE individual's race, color, religion, sex, age, handicap DISABILITY or national origin.
- 3. To cause or attempt to cause an employer to discriminate against an individual in violation of this section.
- 4. To fail or refuse to reasonably accommodate an individual's handicap.
- E. It is an unlawful employment practice for any employer, labor organization or joint labor-management committee controlling apprenticeship or other training or retraining programs, including on-the-job training programs, to discriminate against any individual because of such THE individual's race, color, religion, sex, handicap AGE, DISABILITY or national origin in admission to or employment in any program established to provide apprenticeship or other training and, if the individual is handicapped AN OTHERWISE QUALIFIED INDIVIDUAL WITH A DISABILITY, to fail or refuse to reasonably accommodate the individual's handicap DISABILITY.

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- F. WITH RESPECT TO AN INDIVIDUAL WITH A DISABILITY, IT IS AN UNLAWFUL EMPLOYMENT PRACTICE FOR A COVERED ENTITY TO:
- 1. PARTICIPATE IN ANY CONTRACTUAL OR OTHER ARRANGEMENT OR RELATIONSHIP THAT HAS THE EFFECT OF SUBJECTING A QUALIFIED INDIVIDUAL WITH A DISABILITY WHO APPLIES WITH OR WHO IS EMPLOYED BY THE COVERED ENTITY TO UNLAWFUL EMPLOYMENT DISCRIMINATION.
- 2. USE STANDARDS, CRITERIA OR METHODS OF ADMINISTRATION THAT HAVE THE EFFECT OF DISCRIMINATING ON THE BASIS OF DISABILITY OR THAT PERPETUATE THE DISCRIMINATION OF OTHERS WHO ARE SUBJECT TO COMMON ADMINISTRATIVE CONTROL.
- 3. EXCLUDE OR OTHERWISE DENY EQUAL JOBS OR BENEFITS TO A QUALIFIED INDIVIDUAL BECAUSE OF THE KNOWN DISABILITY OF AN INDIVIDUAL WITH WHOM THE QUALIFIED INDIVIDUAL IS KNOWN TO HAVE A RELATIONSHIP OR ASSOCIATION.
- 4. NOT MAKE REASONABLE ACCOMMODATIONS TO THE KNOWN PHYSICAL OR MENTAL LIMITATIONS OF AN OTHERWISE QUALIFIED INDIVIDUAL WITH A DISABILITY WHO IS AN APPLICANT OR EMPLOYEE UNLESS THE COVERED ENTITY CAN DEMONSTRATE THAT THE ACCOMMODATION WOULD IMPOSE AN UNDUE HARDSHIP ON THE OPERATION OF THE BUSINESS OF THE COVERED ENTITY.
- 5. DENY EMPLOYMENT OPPORTUNITIES TO A JOB APPLICANT OR EMPLOYEE WHO IS AN OTHERWISE QUALIFIED INDIVIDUAL WITH A DISABILITY IF THE DENIAL IS BASED ON THE NEED OF THE COVERED ENTITY TO MAKE REASONABLE ACCOMMODATION TO THE PHYSICAL OR MENTAL IMPAIRMENT OF THE APPLICANT OR EMPLOYEE.
- 6. USE QUALIFICATION STANDARDS, EMPLOYMENT TESTS OR OTHER SELECTION CRITERIA THAT SCREEN OUT OR TEND TO SCREEN OUT AN INDIVIDUAL WITH A DISABILITY OR A CLASS OF INDIVIDUALS WITH DISABILITIES, UNLESS THE STANDARD, TEST OR OTHER SELECTION CRITERIA, AS USED BY THE COVERED ENTITY, IS SHOWN TO BE JOB-RELATED FOR THE POSITION IN QUESTION AND IS CONSISTENT WITH BUSINESS NECESSITY.
- 7. FAIL TO SELECT AND ADMINISTER TESTS RELATING TO EMPLOYMENT IN THE MOST EFFECTIVE MANNER TO ENSURE THAT, WHEN THE TEST IS ADMINISTERED TO A JOB APPLICANT OR EMPLOYEE WHO HAS A DISABILITY THAT IMPAIRS SENSORY, MANUAL OR SPEAKING SKILLS, THE TEST RESULTS ACCURATELY REFLECT THE SKILLS, APTITUDE OR WHATEVER OTHER FACTOR OF THE APPLICANT OR EMPLOYEE THAT THE TEST PURPORTS TO MEASURE, RATHER THAN REFLECTING THE IMPAIRED SENSORY, MANUAL OR SPEAKING SKILLS OF THE APPLICANT OR EMPLOYEE, EXCEPT IF THE SKILLS ARE THE FACTORS THAT THE TEST PURPORTS TO MEASURE.
- F. G. Notwithstanding any other provision of this article, it is not an unlawful employment practice:
- 1. For an employer to hire and employ employees, for an employment agency to classify or refer for employment any individual, for a labor organization to classify its membership or classify or refer for employment any individual, or for an employer, labor organization or joint labor-management committee controlling apprenticeship or other training or retraining programs to admit or employ any individual in any such program, on the basis of the individual's religion, sex or national origin in those certain instances when religion, sex or national origin is a bona fide

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occupational qualification reasonably necessary to the normal operation of that particular business or enterprise.

- 2. For any school, college, university or other educational institution or institution of learning to hire and employ employees of a particular religion if such THE school, college, university or other educational institution or institution of learning is in whole or in substantial part owned, supported, controlled or managed by a particular religion or religious corporation, association or society, or if the curriculum of such THE school, college, university or other educational institution or institution of learning is directed toward the propagation of a particular religion.
- 3. For an employer to fail or refuse to hire or employ any individual for any position, for an employment agency to fail or refuse to refer any individual for employment in any position or for a labor organization to fail or refuse to refer any individual for employment in any position, if both of the following apply:
- (a) The occupancy of such THE position or access to the premises in or upon which any part of the duties of such THE position are performed or are to be performed is subject to any requirement imposed in the interest of the national security of the United States under any security program in effect pursuant to or administered under any statute of the United States or any executive order of the President of the United States.
- (b) Such THE individual has not fulfilled or has ceased to fulfill that requirement.
- 4. With respect to age, for an employer, employment agency or labor organization:
- (a) To take any action otherwise prohibited under subsection B, C or D of this section if age is a bona fide occupational qualification reasonably necessary to the normal operation of the particular business or if the differentiation is based on reasonable factors other than age.
- (b) To observe the terms of a bona fide seniority system or any bona fide employee benefit plan such as a retirement, pension, deferred compensation or insurance plan, which is not a subterfuge to evade the purposes of the age discrimination provisions of this article, except that no employee benefit plan may excuse the failure to hire any individual and no seniority system or employee benefit plan may require or permit the involuntary retirement of any individual specified by section 41-1465 because of the individual's age.
  - (c) To discharge or otherwise discipline an individual for good cause.
- 5. For an employer, labor organization or joint labor-management committee controlling apprenticeship or other training or retraining programs, including on the job training programs, to take any action otherwise prohibited by subsection E of this section with respect to a handicapped individual's handicap if the individual is not capable of participating in or completing the apprenticeship or other program or if the

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individual's participation in the apprenticeship or other program threatens the health or safety of other individuals or imposes undue hardship on the program in terms of costs or operating necessity.

- G. H. As used in this article, —unlawful employment practice—does not include any action or measure taken by an employer, labor organization, joint labor-management committee or employment agency with respect to an individual who is a member of the communist party of the United States or of any other organization required to register as a communist-action or communist-front organization by final order of the subversive activities control board pursuant to the subversive activities control act of 1950.
- H. I. Notwithstanding any other provision of this article, it is not an unlawful employment practice:
- 1. For an employer to apply different standards of compensation or different terms, conditions or privileges of employment pursuant to a bona fide seniority or merit system or a system which measures earnings by quantity or quality of production or to employees who work in different locations, provided that such THESE differences are not the result of an intention to discriminate because of race, color, religion, sex, handicap or national origin.
- 2. For an employer to give and act upon the results of any professionally developed ability test provided that such THE test, its administration or action upon the results is not designed, intended or used to discriminate because of race, color, religion, sex, handicap or national origin.
- 3. For any employer to differentiate upon the basis of sex or handicap DISABILITY in determining the amount of the wages or compensation paid or to be paid to employees of such THE employer if such THE differentiation is authorized by the provisions of section 6(d) or section 14 of the fair labor standards act of 1938, as amended (29 United States Code section 206(d)).
- 1. J. Nothing contained in this chapter applies to any business or enterprise on or near an Indian reservation with respect to any publicly announced employment practice of such THE business or enterprise under which a preferential treatment is given to any individual because he THE INDIVIDUAL is an Indian living on or near a reservation.
- J. K. Nothing contained in this article or article 6 of this chapter requires any employer, employment agency, labor organization or joint labor-management committee subject to this article to grant preferential treatment to any individual or group because of the race, color, religion, sex or national origin of such THE individual or group on account of an imbalance which may exist with respect to the total number or percentage of persons of any race, color, religion, sex or national origin employed by any employer, referred or classified for employment by any employment agency or labor organization, admitted to membership or classified by any labor organization or admitted to or employed in any apprenticeship or other training program, in comparison with the total number or percentage of

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 persons of such THAT race, color, religion, sex or national origin in any community, state, section or other area, or in the available work force in any community, state, section or other area.

- K. L. Nothing in the age discrimination prohibitions of this article may be construed to prohibit compulsory retirement of any employee who has attained sixty-five years of age and who, for the two year period immediately before retirement, is employed in a bona fide executive or high policymaking position, if the employee is entitled to an immediate nonforfeitable annual retirement benefit from a pension, profit sharing, savings or deferred compensation plan or any combination of plans of the employer for the employee, which equals, in the aggregate, at least forty-four thousand dollars. In applying the retirement benefit test of this subsection, if any retirement benefit is in a form other than a straight life annuity, with no ancillary benefits, or if employees contribute to the plan or make rollover contributions, the benefit shall be adjusted in accordance with rules adopted by the division so the benefit is the equivalent of a straight life annuity, with no ancillary benefits, under a plan to which employees do not contribute and under which no rollover contributions are made.
- M. A COVERED ENTITY MAY REQUIRE THAT AN INDIVIDUAL WITH A DISABILITY SHALL NOT POSE A DIRECT THREAT TO THE HEALTH OR SAFETY OF OTHER INDIVIDUALS IN THE WORKPLACE. FOR THE PURPOSES OF THIS SUBSECTION, "DIRECT THREAT" MEANS A SIGNIFICANT RISK TO THE HEALTH OR SAFETY OF OTHERS THAT CANNOT BE ELIMINATED BY REASONABLE ACCOMMODATION.
- t. N. For the purposes of this section and section 41-1481, with respect to employers or employment practices involving a handicap DISABILITY, "individual" means a qualified handicapped individual WITH A DISABILITY.
- Sec. 6. Title 41, chapter 9, article 4, Arizona Revised Statutes, is amended by adding sections 41-1466 and 41-1467, to read:
  - 41-1466. Medical examinations and inquiries; exception
- A. THE PROHIBITION AGAINST DISCRIMINATION BASED ON A DISABILITY INCLUDES MEDICAL EXAMINATIONS AND INQUIRIES. EXCEPT AS PROVIDED IN SUBSECTION B, PARAGRAPH 2, A COVERED ENTITY SHALL NOT CONDUCT A MEDICAL EXAMINATION OR MAKE INQUIRIES OF A JOB APPLICANT AS TO WHETHER THE APPLICANT IS AN INDIVIDUAL WITH A DISABILITY OR AS TO THE NATURE OR SEVERITY OF THE DISABILITY.
  - B. A COVERED ENTITY MAY:
- 1. MAKE PREEMPLOYMENT INQUIRIES INTO THE ABILITY OF AN APPLICANT TO PERFORM JOB RELATED FUNCTIONS.
- 2. REQUIRE A MEDICAL EXAMINATION AFTER AN OFFER OF EMPLOYMENT HAS BEEN MADE TO A JOB APPLICANT AND BEFORE COMMENCEMENT OF EMPLOYMENT DUTIES OF THE APPLICANT AND MAY CONDITION AN OFFER OF EMPLOYMENT ON THE RESULTS OF SUCH EXAMINATION IF ALL OF THE FOLLOWING APPLY:
- (a) ALL ENTERING EMPLOYEES ARE SUBJECTED TO THE EXAMINATION REGARDLESS OF DISABILITY.

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- (b) INFORMATION OBTAINED REGARDING THE MEDICAL CONDITION OR HISTORY OF THE APPLICANT IS COLLECTED AND MAINTAINED ON SEPARATE FORMS AND IN SEPARATE MEDICAL FILES AND IS TREATED AS A CONFIDENTIAL MEDICAL RECORD, EXCEPT THAT THE COVERED ENTITY:
- (i) MAY INFORM SUPERVISORS AND MANAGERS OF NECESSARY RESTRICTIONS ON THE WORK OR DUTIES OF THE EMPLOYEE AND NECESSARY ACCOMMODATIONS.
- (ii) WHEN APPROPRIATE, MAY INFORM FIRST AID AND SAFETY PERSONNEL IF THE DISABILITY MIGHT REQUIRE EMERGENCY TREATMENT.
- (iii) ON REQUEST, SHALL PROVIDE RELEVANT INFORMATION TO GOVERNMENT OFFICIALS INVESTIGATING COMPLIANCE WITH THIS ARTICLE.
- (c) THE RESULTS OF THE EXAMINATION ARE USED ONLY IN ACCORDANCE WITH THIS SECTION.
- C. A COVERED ENTITY SHALL NOT REQUIRE A MEDICAL EXAMINATION AND SHALL NOT MAKE INQUIRIES OF AN EMPLOYEE AS TO WHETHER THE EMPLOYEE IS AN INDIVIDUAL WITH A DISABILITY OR AS TO THE NATURE OR SEVERITY OF THE DISABILITY, UNLESS THE EXAMINATION OR INQUIRY IS SHOWN TO BE JOB RELATED AND CONSISTENT WITH BUSINESS NECESSITY.
  - D. A COVERED ENTITY MAY:
- 1. CONDUCT VOLUNTARY MEDICAL EXAMINATIONS, INCLUDING VOLUNTARY MEDICAL HISTORIES, THAT ARE PART OF AN EMPLOYEE HEALTH PROGRAM AVAILABLE TO EMPLOYEES AT THAT WORK SITE.
- 2. MAKE INQUIRIES INTO THE ABILITY OF AN EMPLOYEE TO PERFORM JOB RELATED FUNCTIONS.
- E. INFORMATION OBTAINED PURSUANT TO SUBSECTIONS C AND D REGARDING THE MEDICAL CONDITION OR HISTORY OF ANY EMPLOYEE ARE SUBJECT TO THE REQUIREMENTS PRESCRIBED IN SUBSECTION B, PARAGRAPH 2, SUBDIVISIONS (b) AND (c).
- F. FOR THE PURPOSES OF THIS SECTION, A TEST TO DETERMINE THE ILLEGAL USE OF DRUGS IS NOT A MEDICAL EXAMINATION.
  - 41-1467. Essential job functions

UNDER THIS ARTICLE AND ARTICLE 6 OF THIS CHAPTER, IN DETERMINING WHAT FUNCTIONS OF A JOB ARE ESSENTIAL, CONSIDERATION SHALL BE GIVEN TO THE EMPLOYER'S JUDGMENT AS TO WHAT FUNCTIONS OF THE JOB ARE ESSENTIAL, AND IF THE EMPLOYER HAS PREPARED A WRITTEN DESCRIPTION OF THE JOB BEFORE ADVERTISING OR INTERVIEWING APPLICANTS FOR THE JOB, THIS WRITTEN DESCRIPTION IS EVIDENCE OF THE ESSENTIAL FUNCTIONS OF THE JOB.

Sec. 7. Section 41-1471. Arizona Revised Statutes, is amended to read: Charge by person aggrieved; investigation; 41-1471. conciliation agreement; civil action; temporary relief

Any person, referred to as the charging party, claiming to be aggrieved by an alleged discriminatory practice or act contrary to the provisions of articles ARTICLE 2 or 3 of this chapter may, within sixty ONE HUNDRED EIGHTY days from the date of the alleged practice or act, file with 44.24 the division a verified charge in writing. which THE VERIFIED CHARGE shall state the name and address of the person or persons, referred to as

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respondent, alleged to have committed the practice or act complained of, the particulars of the alleged discrimination and such other information as may be required by the division. After a charge is filed and found to be in proper order, the division shall make an investigation of the allegations contained in the charge. ON ITS OWN INITIATIVE, THE DIVISION MAY FILE A CHARGE TO INVESTIGATE AN ALLEGED DISCRIMINATORY PRACTICE OR ACT.

- B. If, upon investigation, the division determines that no unlawful discriminatory practice or act has occurred, the division shall notify the charging party and the respondent in writing of this fact and the charging party may within thirty days thereafter file a complaint with the superior court in the county where the alleged discriminatory practice or act occurred.
- C. If, upon investigation, the division determines that there is reasonable cause to believe that the charge is true, it shall endeavor to eliminate such alleged unlawful practice through means of conference, conciliation or persuasion. Any party to such informal proceeding may be represented by counsel. Notwithstanding section 32·261, counsel need not be a member of the state bar if he is licensed to practice law in any other state or territory of the United States. Nothing said or done during and as a part of such endeavors may be made public by the division without the written consent of the parties, or used as evidence in a subsequent proceeding. Any officer or employee of the board or the division who shall make public any information in violation of this subsection shall be dismissed for cause.
- Or act through conference, conciliation or persuasion it shall issue and cause to be served upon the respondent a copy of the charge filed with the division together with a notice of hearing before the board or subcommittee thereof consisting of two or more members, at least one of whom shall be of each major political party. The notice shall specify the date, time and place of the hearing, and in no event shall the date specified be less than ten nor more than twenty days from the date of issuance thereof. The charge and notice shall be served on the respondent at least five days before the date of the hearing.
- E. The board shall, within thirty days from the date the hearing is concluded, enter an order setting forth its findings of fact and serve a copy of such findings on all parties. If the respondent fails to correct a discriminatory practice or act found by the board to exist, within sixty days of such finding, the charging party or the division may file, within thirty days thereafter, a complaint in the superior court of the county where the discriminatory practice or act is alleged to have occurred.
- f. If the board fails to enter an order setting forth its findings within thirty days from the date of the hearing, the charging party may, within thirty days thereafter, file a complaint in the superior court of the county where the discriminatory practice or act is alleged to have occurred.

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- C. IF, AFTER AN INVESTIGATION, THE DIVISION DETERMINES THAT THERE IS REASONABLE CAUSE TO BELIEVE THAT THE CHARGE IS TRUE, THE DIVISION SHALL ENTER AN ORDER CONTAINING ITS FINDINGS OF FACT AND SHALL ENDEAVOR TO ELIMINATE THE ALLEGED UNLAWFUL PRACTICE BY INFORMAL METHODS OF CONFERENCE, CONCILIATION AND PERSUASION. NOTHING SAID OR DONE DURING AND AS PART OF THE INFORMAL ENDEAVORS MAY BE MADE PUBLIC BY THE DIVISION OR ITS OFFICERS OR EMPLOYEES OR USED AS EVIDENCE IN A SUBSEQUENT PROCEEDING WITHOUT THE WRITTEN CONSENT OF THE PERSONS CONCERNED.
- D. IF, WITHIN THIRTY DAYS AFTER THE DIVISION MAKES A DETERMINATION THAT REASONABLE CAUSE EXISTS TO BELIEVE THAT THE CHARGE IS TRUE, THE DIVISION HAS NOT ACCEPTED A CONCILIATION AGREEMENT TO WHICH THE CHARGING PARTY AND THE RESPONDENT ARE PARTIES, THE DIVISION MAY BRING A CIVIL ACTION AGAINST THE RESPONDENT. IF THE ATTORNEY GENERAL FINDS REASONABLE CAUSE TO BELIEVE THAT A PARTY HAS BREACHED A CONCILIATION AGREEMENT, THE ATTORNEY GENERAL MAY FILE A CIVIL ACTION FOR ENFORCEMENT OF THE AGREEMENT. A CHARGING PARTY MAY FILE ITS OWN CIVIL ACTION AGAINST THE RESPONDENT WITHIN THIRTY DAYS AFTER THE DIVISION HAS ISSUED ITS DETERMINATION OR MAY INTERVENE IN ANY CIVIL ACTION BROUGHT BY THE ATTORNEY GENERAL.
- G. E. Whenever a charge is filed with the division and IF the division concludes on the basis of a preliminary investigation AT ANY TIME AFTER THE FILING OF A CHARGE that prompt judicial action is necessary to carry out the purposes of this article and articles ARTICLE 2 and OR 3 of this chapter, the division may bring an FILE A CIVIL action for appropriate temporary or preliminary relief for not more than ninety days or pending final disposition of such THE charge by the division. Any temporary restraining order or other order granting preliminary or temporary relief shall be issued in accordance with the supreme court rules of civil procedure. It shall be the duty of The court having jurisdiction over the proceedings to SHALL assign such THE action for hearing at the earliest practicable date and to SHALL cause the action to be expedited in every way.

Sec. 8. Repeal

Section 41–1472, Arizona Revised Statutes, is repealed.

Sec. 9. Title 41, chapter 9, article 5, Arizona Revised Statutes, is amended by adding a new section 41-1472, to read:

41-1472. <u>Damages; preventive relief; civil penalties; attorney</u>

- A. IN AN ACTION UNDER SECTION 41-1471, IF THE SUPERIOR COURT FINDS THAT DISCRIMINATION IN VIOLATION OF SECTION 41-1421 OR 41-1442 HAS OCCURRED, THE COURT MAY AWARD:
- 1. ACTUAL AND COMPENSATORY DAMAGES, INCLUDING DAMAGES FOR EMOTIONAL DISTRESS.
  - 2. COURT COSTS.
- 3. PREVENTIVE RELIEF, INCLUDING A PERMANENT OR TEMPORARY INJUNCTION, A RESTRAINING ORDER OR ANY OTHER ORDER AGAINST THE PERSON RESPONSIBLE FOR A VIOLATION OF SECTION 41-1421 OR 41-1442.

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- B. IN AN ACTION BROUGHT BY THE ATTORNEY GENERAL, IF THE SUPERIOR COURT FINDS THAT DISCRIMINATION IN VIOLATION OF SECTION 41-1421 OR 41-1442 HAS OCCURRED, THE COURT MAY AWARD:
- 1. ACTUAL AND COMPENSATORY DAMAGES, INCLUDING DAMAGES FOR EMOTIONAL DISTRESS.
  - 2. COURT COSTS.
- 3. PREVENTIVE RELIEF, INCLUDING A PERMANENT OR TEMPORARY INJUNCTION, A RESTRAINING ORDER OR ANY OTHER ORDER AGAINST THE PERSON RESPONSIBLE FOR A VIOLATION OF SECTION 41-1421 OR 41-1442.
- 4. IF APPROPRIATE TO VINDICATE THE PUBLIC INTEREST, A CIVIL PENALTY AGAINST THE PERSON RESPONSIBLE FOR THE VIOLATION OF NOT MORE THAN:
  - (a) FIVE THOUSAND DOLLARS FOR A FIRST VIOLATION.
  - (b) TEN THOUSAND DOLLARS FOR ANY SUBSEQUENT VIOLATION.
- C. IN AN ACTION UNDER SECTION 41-1471, THE COURT SHALL AWARD REASONABLE ATTORNEY FEES TO A PREVAILING PLAINTIFF, OTHER THAN THE ATTORNEY GENERAL. THE COURT SHALL NOT AWARD ATTORNEY FEES TO A PREVAILING DEFENDANT UNLESS THE PLAINTIFF'S COMPLAINT WAS FRIVOLOUS, UNREASONABLE OR WITHOUT FOUNDATION.
- Sec. 10. Section 41-1491, Arizona Revised Statutes, is amended to read:

#### 41-1491. Definitions

In this article, unless the context otherwise requires:

- 1. "Aggrieved person" includes any person who either:
- (a) Claims to have been injured by a discriminatory housing practice.
- (b) Believes that he will be injured by a discriminatory housing practice that is about to occur.
- 2. "Complainant" means a person, including the attorney general, who files a complaint under section 41-1491.22.
- 3. "Conciliation" means the attempted resolution of issues raised by a complaint or by the investigation of the complaint through informal negotiations involving the aggrieved person, the respondent and the attorney general.
- 4. "Conciliation agreement" means a written agreement setting forth the resolution of the issues in conciliation.
- 8. 5. "Handicap DISABILITY" means a mental or physical impairment that substantially limits at least one major life activity, a record of such an impairment or being regarded as having such an impairment. Handicap DISABILITY does not include current illegal use of or addiction to any drug or illegal or federally controlled substance. Handicap DISABILITY shall be defined as the term is defined by the Americans with disabilities act of 1990 (P.L. 101-336).
- 5. 6. "Discriminatory housing practice" means an act prohibited by sections 41-1491.14 through 41-1491.21.
  - 6. 7. "Dwelling" means either:

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- (a) Any building, structure or part of a building or structure that is occupied as, or designed or intended for occupancy as, a residency RESIDENCE by one or more families.
- (b) Any vacant land that is offered for sale or lease for the construction or location of a building, structure or part of a building or structure described by subdivision (a) of this paragraph.
  - 7. 8. "Family" includes a single individual.
- 9. "Person" means one or more individuals, corporations, partnerships, associations, labor organizations, legal representatives, mutual companies, joint stock companies, trusts, unincorporated organizations, trustees, receivers, fiduciaries, banks, credit unions and financial institutions.
  - 10. "Respondent" means either:
- (a) The person accused of a violation of this article in a complaint of a discriminatory housing practice.
- (b) Any person identified as an additional or substitute respondent under section 41-1491.25 or an agent of an additional or substitute respondent.
- 11. "To rent" includes to lease, to sublease, to let or to otherwise grant for a consideration the right to occupy premises not owned by the occupant.
- Sec. 11. Section 41-1491.05, Arizona Revised Statutes, is amended to read:

#### 41-1491.05. Appraisal exemption

This article does not prohibit a person engaged in the business of furnishing appraisals of real property from taking into consideration factors other than race, color, religion, sex, handicap DISABILITY, familial status or national origin.

Sec. 12. Section 41-1491.15, Arizona Revised Statutes, is amended to read:

#### 41-1491.15. Publication of sales or rentals

A person may not make, print or publish or cause to be made, printed or published any notice, statement or advertisement with respect to the sale or rental of a dwelling that indicates any preference, limitation or discrimination based on race, color, religion, sex, handicap DISABILITY, familial status or national origin or an intention to make such a preference, limitation or discrimination.

Sec. 13. Section 41-1491.16, Arizona Revised Statutes, is amended to read:

#### 41-1491.16. <u>Inspection of dwelling</u>

A person may not represent to any person because of race, color, religion, sex, handicap, DISABILITY, familial status or national origin that a dwelling is not available for inspection for sale or rental if the dwelling is available for inspection.

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 Sec. 14. Section 41-1491.17, Arizona Revised Statutes, is amended to read:

## 41-1491.17. Entry into neighborhood

A person, for profit, may not induce or attempt to induce a person to sell or rent a dwelling by representations regarding the entry or prospective entry into a neighborhood of a person of a particular race, color, religion, sex, handicap, DISABILITY, familial status or national origin.

Sec. 15. Section 41-1491.19, Arizona Revised Statutes, is amended to read:

# 41-1491.19. Discrimination due to disability; definitions

- A. A person may not discriminate in the sale or rental or otherwise make unavailable or deny a dwelling to any buyer or renter because of a handicap DISABILITY of:
  - 1. That buyer or renter.
- 2. A person residing in or intending to reside in that dwelling after it is sold, rented or made available.
  - 3. A person associated with that buyer or renter.
- B. A person may not discriminate against any person in the terms, conditions or privileges of sale or rental of a dwelling or in the provision of services or facilities in connection with the dwelling because of a handicap DISABILITY of:
  - 1. That person.
- 2. A person residing in or intending to reside in that dwelling after it is so sold, rented or made available.
  - 3. A person associated with that person.
- C. Nothing in this section requires that a dwelling be made available to an individual whose tenancy would constitute a direct threat to the health or safety of other individuals or whose tenancy would result in substantial physical damage to the property of others.
- E. D. Compliance with the appropriate requirements of the fair housing accessibility guidelines established by the United States department of housing and urban development satisfies the requirements of subsection DE, paragraph 3, subdivision (c).
  - D. E. For THE purposes of this section, "discrimination" includes:
- 1. A refusal to permit, at the expense of the handicapped DISABLED person, reasonable modifications of existing premises occupied or to be occupied by the person if the modifications may be necessary to afford the person full enjoyment of the premises, provided that, in the case of a renter, the landlord may, where it is reasonable to do so, condition permission for a modification on the renter agreeing, to restore the interior of the premises to the condition that existed before the modification, reasonable wear and tear excepted.

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- 2. A refusal to make reasonable accommodations in rules, policies, practices or services if the accommodations may be necessary to afford the person equal opportunity to use and enjoy a dwelling.
- 3. In connection with the design and construction of covered multifamily dwellings for first occupancy after the date that is thirty months after the date of enactment of the federal fair housing amendments act of 1988 (P.L. 100-430), a failure to design and construct those dwellings in a manner that includes all of the following:
- (a) The public use and common use portions of the dwellings are readily accessible to and usable by handicapped DISABLED persons.
- (b) All the doors designed to allow passage into and within all premises within the dwellings are sufficiently wide to allow passage by handicapped DISABLED persons in wheelchairs.
- (c) All premises within the dwellings contain the following features of adaptive design:
  - (i) An accessible route into and through the dwelling.
- (ii) Light switches, electrical outlets, thermostats and other environmental controls in accessible locations.
- (iii) Reinforcements in bathroom walls to allow later installation of grab bars.
- (iv) Usable kitchens and bathrooms so that an individual in a wheelchair can maneuver about the space.
- F. As used in this section, "covered multifamily dwellings" means buildings consisting of four or more units if the buildings have one or more elevators and ground floor units in other buildings consisting of four or more units.
- Sec. 16. Section 41-1491.20, Arizona Revised Statutes, is amended to read:

# 41-1491.20. <u>Residential real estate related transaction:</u> <u>definition</u>

- A. A person whose business includes engaging in residential real estate related transactions may not discriminate against a person in making a real estate related transaction available or in the terms or conditions of a real estate related transaction because of race, color, religion, sex, handicap DISABILITY, familial status or national origin.
- B. In this section, "residential real estate related transaction" means:
- 1. Making or purchasing loans or providing other financial assistance either:
  - (a) To purchase, construct, improve, repair or maintain a dwelling.
  - (b) To secure residential real estate.
  - 2. Selling, brokering or appraising residential real property.

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Sec. 17. Section 41-1491.21, Arizona Revised Statutes, is amended to read:

### 41-1491.21. Brokerage services

A person may not deny any person access to, or membership or participation in, a multiple listing service, real estate brokers' organization or other service, organization or facility relating to the business of selling or renting dwellings or may not discriminate against a person in the terms or conditions of access, membership or participation in such an organization, service or facility because of race, color, religion, sex, handicap DISABILITY, familial status or national origin.

APPROVED BY THE GOVERNOR JUNE 4, 2002.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 4, 2002.



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by the following vote:	<u>60</u> Ayes,	by the fo	llowing vote:	16	Ayes,
	O Not Voting	<del></del>	12 Nays,	2	Not Voting
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# HOUSE CONCURS IN SENATE AMENDMENTS AND FINAL PASSAGE

May 22 ,2002
by the following vote:36Ayes,
20 Nays, 4 Not Voting
Speaker of the House
Speaker of the House Pro Tempore Chief Clerk of the House
Chief Clerk of the House
EXECUTIVE DEPARTMENT OF ARIZONA OFFICE OF GOVERNOR
This Bill was received by the Governor this
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at 4.20 o'clock M.
Secretary to the Governor
Secretary to the Governor
Approved this day of
June , 20 02,
at 10:33 o'clock A M.
June free Leell Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 4 day of June, 200

at 5,31 o'clock M

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H.B. 2353